Prices of Agricultural Commodities in Kerala

*333. SHRI J. CHITHARANJAN:
SHRI V.V. RAGHAVAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware that Agricultural commodities in Kerala like Natural Rubber, Coconut oil, Pepper, Coffee, Ginger, Tea, Arecanut, etc., have been facing an acute price fall and the farmers are under severe financial stress and are not in a position to repay the loans taken from banks and other financial institutions; and

(b) if so, the details thereof and the measures taken/proposed to be taken to help the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY): (a) and (b) Over the last two years or so, there has been a general decline in the prices of various agricultural commodities and plantation crops in Kerala. The decline in prices could be attributed to the overall excess supplies and gradual change in consumer preferences for some of the products.

No problems relating to repayment of loans taken by the agriculturists from banks and financial institutions engaged in the production of rubber, coconut oil, ginger, tea and arecanut have been brought up before the Commodity Boards or the Government. However, in the case of coffee growers, they have expressed their inability to repay the loans availed of by them from the banks and financial institutions and sought intervention of the Government in rescheduling of their loans. At the behest of the Government of India, the commercial banks and cooperative banks have already rescheduled the crop loans of the coffee growers and have also extended fresh loans to them so that the production operations do not get affected. Coffee Board has also implemented an interest subsidy scheme by providing 5% subsidy for the small growers of coffee (10 hectares and below) on the crop loans availed of by them during 2001-02.

Having regard to the adverse market situation affecting the various agricultural products, not only in Kerala but in other parts of the country, the Commodity Boards have initiated a number of schemes to assist the growers in marketing their products in the domestic as well as international markets.

Import of agricultural goods under OGL

*334. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether certain agricultural commodities can be imported under OGL;

(b) if so, the details of such commodities;

(c) whether there is an adverse impact of such imports on domestic prices of agricultural commodities; and

(d) if so, the protection given to the domestic agricultural products so that they can compete with imported agricultural products?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY): (a) to (d) Import restrictions on items including agricultural commodities are being removed as a part of economic liberalization programme of the Government and also in terms of our international obligations. At present, all the items on which import restrictions were maintained on account of balance of payment reasons are freely importable.

A Statement showing import of major agricultural commodities during April, 2001-January, 2002, for which data is available, compared with April, 2000-January, 2001 is enclosed at annexure. As can be seen from the import data this level of imports may not have any serious impact on the domestic prices of agricultural commodities.

However imports are constantly being closely monitored and the Government is determined to ensure, through appropriate use of tariff and other mechanisms, that imports do not cause any serious detriment or injury to the domestic farmers. Towards that end,